

SECRET

CERTIFICATE

25X1A

I, , certify that
I am the Secretary 25X1A of the Corporation named
as Contractor herein; that who
signed this contract on behalf of the Contractor was then Ass't Vice-Pres.
& Director of Contract Admin. of said Corporation; that said con-
tract was duly signed for and in behalf of said Corporation by
authority of its governing body, and is within the scope of its Cor-
porate powers.

25X1A



(Corporate Seal)

SECRET

25X1

Approved For Release 2006/02/27 : CIA-RDP81B00878R001200010043-6

Approved For Release 2006/02/27 : CIA-RDP81B00878R001200010043-6

INDEX OF SCHEDULE

PART I	SCOPE OF WORK	4
PART II	PERIOD OF PERFORMANCE	4
PART III	ESTIMATED COST AND FIXED FEE	5
PART IV	PAYMENTS	5
PART V	AUDIT	7
PART VI	NON-STANDARD COSTS	7
PART VII	CAPITAL EQUIPMENT OR MAJOR ITEMS OF MATERIAL	7
PART VIII	ANTICIPATORY COST	7
PART IX	SPECIAL SECURITY RESTRICTIONS	7
PART X	WAIVER OF REQUIREMENTS OF GENERAL PROVISIONS	8
PART XI	LETTER CONTRACT SUPERSEDED	8
PART XII	REPORTS	8

SCHEDULE

PART I - SCOPE OF WORK

The Contractor shall undertake certain studies, development work, and prototype production, as feasible, in the field of electromagnetic radiation, all in general accordance with the Contractor's proposals of 12 September 1957, as amplified by the Contractor's proposal of 1 October 1957. Said proposals are incorporated herein by reference. ✓

Notwithstanding reference to the above proposal, as amplified, the scope of the Contractor's effort shall not be circumscribed or limited by the scope of work set forth therein and the Contractor shall diligently pursue any avenue of effort which may provide the solutions desired by the Government, except that the Contractor shall advise the Government whenever the scope of work undertaken by the Contractor hereunder indicates substantial departures from the scope of work as set forth in Contractor's referenced proposal, as amplified, and the Government shall approve such departures.

The Contractor shall maintain necessary liaison with such other Contractors as the Government may from time-to-time approve or direct and in a manner acceptable to the Government with due consideration for technical and security aspects of the work contracted for hereunder.

Solutions arrived at by the Contractor hereunder shall be presented to the Government for scale testing or for field testing and the Contractor shall assist the Government in such testing to the extent the Contractor is requested to do so by the Government.

See Amendment 1 for revision. The Contractor shall to the extent possible and feasible develop the necessary instrumentation to ~~directly~~ or indirectly measure any proposed solutions to the problems inherent in the scope of work hereunder and shall either provide such instrumentation to the Government, if so directed by the Government, or shall convey to the Government all information necessary to design, assemble, fabricate and use such instrumentation.

The Contractor shall provide such other assistance to the Government in the particular area of work which is the subject of this contract as the Government may from time-to-time request and the Contractor is willing and able to supply. Any additional assistance not provided hereunder shall be an amendment to this contract and an increase in the scope of work hereunder.

PART II - PERIOD OF PERFORMANCE:

The period of performance hereunder shall commence 1 November 1957 and shall terminate at the close of business on 31 April 1958

unless further extended by appropriate amendment to this contract.

PART III - ESTIMATED COST AND FIXED FEE:

PART IV - PAYMENTS:

1. In accordance with the provisions of clause 4 of the General Provisions of this contract entitled "ALLOWABLE COSTS, FIXED FEE, AND PAYMENT", the Government shall pay the Contractor, as full compensation for the performance of this contract, the fixed fee as specified in PART III above, and the Allowable Cost incurred by the Contractor in the performance of this contract and accepted by the Contracting Officer as chargeable in accordance with "Contract Cost Principles, Section XV, Part 2, Armed Services Procurement Regulations." It being understood and agreed, without limiting the generality of the foregoing, that the following shall be considered as allowable items of cost hereunder when incurred or paid by the Contractor and when necessary and required and used for the performance of work hereunder:

(a) Travel. Travel costs shall be determined in accordance with the Company's established travel policy.

(b)

25X1A

25X1A

Government, to pay such taxes under protest and such taxes as paid will be reimbursable items of cost. The Contractor further agrees, as directed by the Contracting Officer to do so, to take all necessary action, in cooperation with and for the benefit of the Government, to secure the refund of such tax, in which event the Government agrees to reimburse the Contractor for any and all reasonable expenses incurred at the direction of the Contracting Officer. In the event the [] exempts the Contractor from the payment of such tax, or in the event the Contractor is successful in securing refund of such tax, the Contractor agrees to reimburse the Government for the amount of such tax refunded together with any interest received

25X1A

SECRET

thereon. In the event of administrative proceedings or litigation concerning such tax, the Contractor shall keep the Contracting Officer informed thereof and shall authorize representatives of the Government to collaborate with counsel for the Contractor in settling or prosecuting claims for refund of such tax.

2. Payment of fee - Each billing submitted under 1 above shall have added thereto, for the purposes of progress payments on the fixed fee, a sum equal to seven percent (7%) of the amount billed. The fee shall be paid in accordance with the provisions of clause 4 of the General Provisions.

3. Indirect costs (overhead)

(a) Allowable costs shall include an amount for overhead, indirect charges, and other elements of cost, excluded from or not covered by direct costs, and properly chargeable as indirect costs in accordance with "Contract Cost Principles, Section XV, Part 2, Armed Services Procurement Regulations" and the application of such contract cost principles as determined by the Contracting Officer or the cognizant audit agency to the Contractor's Operations for similar Government work in the Contractor's plant and accepted by the Contracting Officer hereunder as being in accordance with such principles and such application.

(b) Pending establishment of final overhead rates for any period, the Contractor shall be reimbursed at the billing rates set forth below subject to appropriate adjustment when the final rates for that period are established. To prevent substantial over or under payment, the provisional rates may, at the request of either party, be revised by mutual agreement, either retroactively or prospectively.

99.3% Engineering (1)

2.84% General and Administrative (2)

(1) Applicable to direct engineering labor dollars exclusive of overtime premiums.

(2) Applicable to total costs, exclusive of General Administrative and Indiana Gross Income Tax.

(c) The periods, as contemplated by paragraph (b) of clause 31 of the General Provisions entitled "Negotiated Overhead Rates" shall be for a six (6) or a twelve (12) month period as determined feasible

SECRET

by the parties hereto. The past fixed rate covered the period July 1, 1956 to December 31, 1956.

- (d) Any failure by the parties to agree on any final rate or rates under this clause shall be considered a dispute concerning a question of fact for decision by the Contracting Officer within the meaning of the clause of this contract entitled "Disputes".

PART V - AUDIT:

Audit of costs hereunder shall be made by the Contracting Officer or his designated representative. Utilization of the cognizant military audit agency will be used if security conditions permit and it is deemed advisable by the Contracting Officer.

PART VI - NON-STANDARD COSTS:

Allowable costs shall include any unusual or non-standard items of cost, not expressly excluded by other provisions of this contract, as should, in the opinion of the Contracting Officer, be included in the cost of the work called for in this contract. Any such items shall be specifically certified by the Contracting Officer as being allowable under this section.

PART VII - CAPITAL EQUIPMENT OR MAJOR ITEMS OF MATERIAL:

In the event capital equipment or major items of material are required in support of the work covered by this contract the Contractor is authorized to obtain same provided approval as to cost is obtained from the Contracting Officer. The costs of rearrangement of certain facilities of the Contractor in Fort Wayne, Indiana, and making preliminary installations necessary for the accomplishment of the work in a sum not to exceed \$1000 is hereby approved by the Contracting Officer.

PART VIII - ANTICIPATORY COST:

All costs which have been incurred by the Contractor on or after 1 November 1957, in anticipation of and prior to the signing of this contract, and which, if incurred after the signing of this contract, would have been considered as items of Allowable Costs hereunder, will be accepted by the Contracting Officer as cost under this contract.

PART IX - SPECIAL SECURITY RESTRICTIONS:

The Contractor shall not reveal (i) the specific nature or any details of the work being performed hereunder or (ii) any information whatsoever with respect to the department of the Government sponsoring this contract and the work thereunder except as the Contractor is directed to reveal such information by the Contracting Officer or by

SECRET

SECRET

his duly authorized representative for security matters, and, notwithstanding any clause or section of this contract to the contrary, the Contractor shall not interpret any clause or section of this contract as requiring or permitting divulgence of such information to any person, public or private, or to any officer or department of the Government without the express consent of the Contracting Officer or his duly authorized representative for security matters.

PART X - WAIVER OF REQUIREMENTS OF GENERAL PROVISIONS:

Notwithstanding the requirements of any of the General Provisions of this contract to the contrary, whensoever the Contractor, in performance of the work under this contract, shall find that the requirements of any of the clauses of the General Provisions are in conflict with security instructions issued to the Contractor by the Contracting Officer or by his duly authorized representative for security matters, the Contractor shall call the attention of the Contracting Officer to such conflict and the Contracting Officer or his duly authorized representative for security matters shall (i) modify or rescind such security requirements or (ii) the Contracting Officer shall issue to the Contractor a waiver of compliance with the requirements of the General Provisions conflicting with such security requirements. Any waiver of compliance with the General Provisions of this contract issued by the Contracting Officer shall be in writing, except that the approval by the Contracting Officer of any subcontract issued hereunder by the Contractor shall be deemed to constitute approval of waiver of any clauses of the General Provisions in conflict with the stipulation of such subcontract.

PART XI - LETTER CONTRACT SUPERSEDED:

This is the Definitive Contract contemplated by the Letter Contract issued by the Government to the Contractor under date of 12 November 1957 and supersedes said Letter Contract. Work performed and payments made under said Letter Contract shall be deemed to be work performed and payments made under this Definitive Contract. The date of the Letter Contract shall govern for the determination of the priority status of this Definitive Contract. In the event of conflict between this Definitive Contract and said Letter Contract, this Definitive Contract shall prevail.

PART XII - REPORTS:

1. The Contractor shall prepare and submit to the Government technical progress reports in sufficient detail to enable the Government to monitor progress being made in performance of the contract work. The reports shall be submitted as warranted by the progress of the work but in no event shall more than sixty (60) days elapse between each report.

SECRET

SECRET

2. The Contractor shall prepare a final technical report covering the work performed hereunder. The form and scope of such final report shall be subject to agreement between the Government and the Contractor, PROVIDED that the Government may waive the submission of such report if it so elects.